

Commonwealth of Virginia
Virginia Department of Social Services
Office of the Commissioner
7 N. 8th St.
Richmond, VA 23219

Commissioner's Memo No. 008

DATE: February 22, 2008
TO: Directors of Local Departments of Social Services
FROM: Anthony Conyers Jr.

Directors,

Following are the topics contained in this Memorandum:

- [Medicaid Funding Pre-Admission Screenings](#)
- [Improvement of OASIS data](#)

Medicaid Funded Pre-Admission Screenings

An issue has developed involving pre-admission screening payments for nursing facility and community-based care.

During their review of the Virginia Department of Social Services' (VDSS) public assistance cost allocation plan (PACAP) rewrite, the Centers for Medicare and Medicaid Services (CMS) questioned the payments made to local departments of social services (LDSS) by the Department of Medical Assistance Services (DMAS) for pre-admission screenings. CMS believed we were double charging Medicaid for these screenings – once through direct payment to LDSS by DMAS and a second time via our Random Moment Sampling (RMS) process. VDSS agreed to look into the situation and take necessary and appropriate actions.

Our review revealed that CMS is right in most instances. Medicaid is being directly charged for pre-admission screenings, with DMAS making payments to LDSS. VDSS samples for these screenings using RMS and charges the related costs to Medicaid. This may result in a duplicate charge to and reimbursement by DMAS, depending on how LDSS account for the direct payments. With your assistance, we found direct reimbursements to LDSS were being handled in a number of ways. In some cases, LDSS were depositing these funds into special welfare accounts; others were depositing them into local "general" funds; some were crediting them back to VDSS through the monthly LASER process as they were originally intended to be. We found few instances of the last category.

For the past several months VDSS has worked on this issue with the Virginia League of Social Service Executives (League) Administrative and Adult Services Committees, and with DMAS. Collectively, we have determined that the most appropriate action for VDSS is to ask DMAS to stop direct reimbursements to LDSS effective March 31, 2008. This eliminates the potential double charging of pre-admission screenings and eliminates a number of accounting transactions that result in a net financial gain of **zero** when the payments are credited back through the monthly LASER process as they were intended to be. DMAS will be paying for Medicaid activities – including pre-admission screenings – through the RMS process.

During fiscal year 2007, DMAS made direct payments to LDSS totaling \$112K for pre-admission screenings charged to Medicaid. Payments to date for fiscal year 2008 are consistent with last year, averaging about \$9K per month. The fiscal impact of eliminating these direct payments will be less since some LDSS are correctly crediting the payments back to VDSS each month. Operationally, the change will eliminate a number of needless accounting transactions that yield no financial gain.

The pre-admission screening process is a vital component of the long-term care system in Virginia. VDSS has assured DMAS that LDSS will continue to perform the pre-admission screenings in the community in conjunction with the Virginia Department of Health (VDH). Payments to VDH for its participation in these pre-admission screenings are not impacted by this change, because VDH uses a different approach to account for its costs.

This new process will not impact payments to LDSS related to screenings for Assisted Living Facilities. Those payments are made with state general funds and are not of immediate concern. The change allows us to continue on an important path: ensuring we claim every dime of federal reimbursement to which we are entitled, and none to which we are not.

Please contact J.R. Simpson at j.r.simpson@dss.virginia.gov or (804)-726-7204 if additional information is required or desired.

Improvement of OASIS data

The Division of Family Services (DFS) is currently leading a statewide effort to improve the quality of Online Automated Services Information System (OASIS) data as a part of the agency wide Data Integrity Project. DFS will continue providing informational broadcasts as a part of this effort. Upcoming broadcasts will provide detailed instructions to LDSS on how to make corrections to data inaccuracies related

to the Title IV-E penetration rate, reunification numbers, legal basis information, and a clean up of data errors discovered during the recent Adoption and Foster Care Analysis and Reporting System (AFCARS) submission process.

DFS will provide technical assistance to LDSS in making corrections to open cases, and continue the partnership with the OASIS unit in cleaning up closed case records. Please make sure that appropriate staff members are monitoring broadcasts on SPARK for these updates, and that they are communicating the recommended procedures with OASIS users. For additional information about this process please contact Matt Wade at matthew.wade@dss.virginia.gov or (804)-726-7941.

Thank you for your attention.

AC/VDSS